



TENNESSEE DEPARTMENT OF AGRICULTURE
Agricultural Resources Programs
Ellington Agricultural Center
Box 40627
Nashville, TN 37204

MEMORANDUM

TO: County Soil Conservation Districts, RC&D Councils and
other entities

FROM: John McClurkan, Water Resources Administrator
Jim Nance, Program Manager

SUBJECT: Application for Ag Resources Conservation Fund, FY 2005

DATE: May 28, 2004

Enclosed are guidelines and application procedure for funding under the Ag Resources Conservation Fund (ARCF) for fiscal year 2005 (July 1, 2004 – June 30, 2005).

The Department's allocation from the funding source, the real estate transfer tax, has been considerably increased from the current year's allocation level. And in fact is expected to be near normal as proposed under the Governor's budget and as approved by the General Assembly last week.

All SCDs and RC&D Councils are encouraged to submit applications. Regional Administrators will be working to assist districts in this regard.

Applications should focus on a watershed approach, with a goal of measurable water quality improvements, as addressed in the guidelines. There are opportunities for this in all districts.

A change in the cost-share payment limitation for most ag BMPs is the removal of the \$10,000 cap to individual participants. While the limitation has not frequently been reached, removing it, along with increased ARCF funding, will allow district boards to more fully fund projects without having a limit set at a lower level.

Note that cost-sharing for ponds remain the same as previous years, and that poultry litter storage/composters remain at \$5,000, but only for facilities in operation prior to May 1, 1999 when CAFO regulations went into effect.

The application time frame is short (July 1), but should allow for approved contract amendments to be back in district hands in time for fall seeding practices.

Please mail all applications to:

Tennessee Department of Agriculture
Ag Resources Programs
P. O. Box 40627
Nashville, TN 37204

Or e-mail to James.Nance@state.tn.us or Myra.Lilly@state.tn.us

Phone (615) 837-5319

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Application information for Grant Pool projects in 303(d) watersheds will be forthcoming soon. The funding for such projects has not been received from EPA at this time.